

ATTACHMENT F

Summary of Federal Agency Discussions

Informal discussions were held with contacts at the Federal Emergency Management Agency (FEMA), the Department of Transportation, Research and Special Programs Administration/RSPA (DOT), and the Environmental Protection Agency (EPA). All of these agencies administer financial assistance programs to States; two (EPA and DOT) also provide funding to Tribes.

Although there was disagreement about the relative advantages of a centralized vs. a decentralized approach, some common themes emerged from the discussions:

- ◆ FEMA and EPA have been moving away from individual funding streams to a consolidated grant approach. The States have stated their preference for such an approach which allows more flexibility as well as increased administrative efficiency. The proposed changes at EPA are particularly noteworthy. EPA is proposing “performance partnership” grants, in which States are allowed flexibility to use funding from 17 different environmental programs that involve an annual transfer of approximately \$800 million to the States and Tribes. The funds can be commingled, provided they meet core measurements established by EPA. There was strong management support for this approach and the agency convened a working group/task force, including agency and State and Tribal representatives, to work together on the proposed approach. EPA expects to publish a Notice of Proposed Rulemaking this month (June 1999).
- ◆ Indian Tribes have special needs to be addressed (e.g., legal/constitutional issues, limited infrastructure).
- ◆ Careful attention must be paid to developing a defensible formula that is based on good data. Once established, a formula is difficult to change.
- ◆ Specific issues emphasized:
 - Clearly specify grant conditions up front and require grantees to report back on what they have done;
 - Make some provision for funding stability so that recipients do not receive a grant one year and not another;
 - Use current population estimates since the decennial census is soon outdated (confirm that updated data for the enumeration districts can be obtained easily).
- ◆ FEMA advocates a decentralized approach; DOT/RSPA advocates a centralized approach.